

BOARD OF COMMISSIONERS OF COOK COUNTY
FINANCE COMMITTEE

Taken Friday, October 18, 2013
at 1:30 p.m.

Cook County Board Room
118 North Clark Street
Room 569
Chicago, Illinois 60602

Bureau of Economic Development

PRESENT:

CHAIRMAN: MR. JOHN P. DALEY

VICE-CHAIR: MS. DEBORAH SIMS

COMMISSIONERS: MR. JERRY BUTLER
MS. EARLEAN COLLINS
MR. JOHN A. FRITCHEY
MS. BRIDGET GAINER
MR. JESUS G. GARCIA
MS. ELIZABETH ANN DOODY GORMAN
MR. GREGG GOSLIN
MR. STANLEY MOORE
MS. JOAN PATRICIA MURPHY
MR. EDWIN REYES
MR. TIMOTHY O. SCHNEIDER
MR. PETER N. SILVESTRI
MR. ROBERT STEELE
MR. LARRY SUFFREDIN
MR. JEFFREY R. TOBOLSKI

ALSO PRESENT:

MR. MATTHEW B. DeLEON, Secretary
MR. ANTHONY W. LISANTI, Court Reporter

1 CHAIRMAN DALEY: At this time, the recessed
2 meeting of the Finance Committee will come to order.
3 We have the Bureau of Economic Development. We have
4 finished with Planning and Development -- Mr.
5 Brewer.

6 MR. BREWER: Thank you, Mr. Chairman.

7 At the request of the Board of
8 Commissioners, we have asked for Karin Norington-
9 Reeves, the head of the Chicago Cook Workforce
10 Partnership, to come in and give us a status update
11 on the progress of the workforce initiative effort.
12 The Board may recall the Chicago Cook County
13 Workforce Partnership is the new 501(c)(3) formation
14 of the collaboration between the City's workforce
15 efforts and the Cook County workforce efforts, and
16 the prior iteration of the Cook County Workforce
17 that Ms. Norington-Reeves was the head of.

18 As part of this collaboration, I sit
19 as a board member with the new Workforce
20 Partnership. Ms. Reeves has kindly responded to
21 come in and give us an update and answer any
22 questions on the progress of the initiative.

23 CHAIRMAN DALEY: Karin --

24 MS. REEVES: Good afternoon, Commissioners.

1 I am going to give a brief version of my remarks
2 that were given at our annual meeting on August 15.

3 On July 1, 2012, the Partnership
4 successfully consolidated Chicago and Cook County
5 workforce resources to expand the reach of the
6 region's employment and training services. This
7 resulted in the creation of our nation's second
8 largest local workforce investment area; however, we
9 are the largest that is managed by a nonprofit.

10 In collaboration with a multitude of
11 partners, we see about 140,000 residents through our
12 forty-eight workforce agencies, our business
13 intermediary, our ten comprehensive workforce
14 centers, and two satellite centers. Last year, we
15 managed just under \$50 million in programs.

16 The creation of The Partnership
17 resulted in administrative cost savings of more than
18 \$2 million annually by eliminating redundant
19 functions across three different administrative
20 agencies. The Partnership is comprised of workforce
21 development, financial, compliance, business
22 relations, policy, IT, administrative and program
23 staff.

24 Our staff is made up of former City,

1 County, State, foundation, and nonprofit employees.

2 At the top of the reconfiguration, we
3 were tasked with several ambitious goals. First, to
4 consolidate the competitive bid process. Second, to
5 shift the funding paradigm from an emphasis on
6 individual training to a demand-drive model that
7 contemplates training people for the jobs of today
8 and tomorrow. Third, to make labor market
9 information readily available to clients, and to
10 those that work with them, in order to empower
11 people to make sound decisions about the training
12 programs they would choose. Fourth, to use data
13 analysis to inform effective practices.

14 Fifth, to link workforce development
15 to the numerous economic development projects and
16 opportunities within the region. Sixth, to improve
17 performance management and the evaluation of our
18 agencies. Seventh, to improve our training network
19 by enhancing evaluations and certification
20 standards.

21 I am proud to say that we accomplished
22 each of these goals, and then some.

23 One of our important undertakings was
24 the institution of demand-driven reforms that

1 narrowly focused the use of subsidized training
2 dollars in the industries that actually have jobs
3 and need skilled workers within this region. We now
4 fund vocational training in seven different
5 industries: business and professional services;
6 healthcare; hospitality; information technology;
7 manufacturing; retail; and transportation,
8 distribution and logistics.

9 Within these sectors, we are targeting
10 training in forty key occupations. These are the
11 occupations that the region's employers tell us that
12 they need the skilled workers for. This is a far
13 cry from the seven hundred vocations job seekers
14 were previously asked to choose from under our prior
15 structure. This narrow focus is certainly more
16 business-centric, but it is fundamentally about
17 ensuring that we fund training that actually leads
18 to employment, job retention, career pathways for
19 low-, medium-, and highly-skilled workers, and, most
20 importantly, it creates family-sustaining wages.

21 Only thirteen percent of the nation's
22 businesses actually partner with their local
23 workforce board. Our job is to change that. I am
24 pleased to say that The Partnership is making great

1 strides in business engagement and economic growth
2 for the Chicagoland region. In the first nine
3 months of our existence, our seven-person business
4 relations and economic development team has engaged
5 more than 130 businesses. These were companies that
6 never knew of the resources available to them from
7 their own tax dollars.

8 Our business relations team was also
9 responsible for the direct placement of more than
10 five hundred people who were hired with salaries
11 ranging from ten dollars per hour to \$70,000 per
12 year. That is in addition to the more than 7000
13 people placed by our delegate agencies. And, those
14 numbers don't include the hundreds of people placed
15 through our special initiatives such as the State
16 Energy Sector Partnership, the Calumet Green
17 Manufacturing Partnership, and the Health
18 Professions Opportunity Grant.

19 The minimum wage in this region
20 equates to roughly \$18,000 a year -- hardly enough
21 to support a family, barely enough to support an
22 individual.

23 Through the efforts of our delegate
24 agencies the average low-income adult who receives

1 our services averages slightly more than fourteen
2 dollars an hour or just under \$30,000 a year. The
3 average dislocated worker that exits one of our
4 programs generally earns over \$37,000 a year. And
5 our youth are averaging \$9.30, which is still above
6 the minimum wage.

7 While we are proud of our
8 accomplishments in the face of a very challenging
9 economy, as well as the funding constraints, given
10 the status of the Federal Government, in the year
11 ahead there is still more to be done. We will
12 continue to explore innovative projects that will
13 foster further development of a skilled regional
14 workforce.

15 I will go into detail about some of
16 the future programs. I will say -- I know there
17 have been significant questions about youth. I want
18 to be clear on a couple of things.

19 First and foremost, there is no such
20 thing as a federally-funded summer youth program
21 through the Workforce Investment Act. We don't have
22 summer youth programs. We are not responsible for
23 summer youth programs. The programs that happened
24 in the past were generally due to ARRA funding,

1 which ended more than a year ago. Our youth
2 function is a one-year program. Kids cannot enter
3 for six or eight weeks in the summer and then exit,
4 because that negatively impacts our performance.

5 Our youth programs have struggled this
6 year because many of these youth programs have not
7 been able to stay afloat as agencies during this
8 struggling economy.

9 2012 and 2013 saw the collapse of many
10 youth agencies in this region such as Jobs for
11 Youth, SEDCOM, which is the Southeast Chicago
12 Development Commission), and the Southwest Youth
13 Collaborative. These left many gaping holes in the
14 communities. But those are not problems that we can
15 readily fix. What we did with those dollars is
16 redistribute them to other youth programs that were
17 active, and asked them to take up the slack.

18 You have before you folders that we
19 have distributed which show our collateral material.
20 In those folders you have a PowerPoint deck that
21 highlights the outcomes, our performance outcomes.
22 These are the measures that we are held to by the
23 Federal guidelines.

24 I will note also that we are

1 exclusively Federally-funded through the Workforce
2 Investment Act. Beyond that, however, we also
3 receive program dollars. One of the reasons that we
4 became a nonprofit was to be able to receive
5 foundation grants and other grants that would help
6 us to diversify the funding and not require us to
7 have such strict guidelines as those required by the
8 Federal funding.

9 We do not receive any funding from the
10 City of Chicago or Cook County that can be used as
11 discretionary dollars. So, from the programmatic
12 perspective, eighty-five percent of our funds come
13 from the Workforce Investment Act. The dollars are
14 distributed in the same proportion that they were
15 prior to the merger. Sixty percent were City
16 dollars. Forty percent were County dollars. We
17 kept that exact same distribution for the funds that
18 were allocated to us from the City and County.

19 With that, I am happy to take any
20 questions you might have.

21 CHAIRMAN DALEY: Commissioner Collins.

22 COMMISSIONER COLLINS: How are you?

23 MS. REEVES: I am well. How are you,
24 ma'am?

1 COMMISSIONER COLLINS: Let me start where
2 you just said -- we do know that as a fact, but it
3 is my understanding -- and correct me if I am wrong
4 -- that once you merged as a 501(c)(3) there were no
5 City-County -- you said sixty percent City and forty
6 percent County before your 501(c)(3)?

7 MS. REEVES: That was the composition of
8 the dollars given to this region through the State,
9 but from the Federal Department of Labor. That is
10 the funding mix that was provided through the
11 Workforce Investment Act.

12 COMMISSIONER COLLINS: Once it becomes Cook
13 County, which includes the City of Chicago, is it
14 divided in terms of how the money is allocated?

15 MS. REEVES: The intergovernmental
16 agreement that we signed off on, and that this Body
17 approved last June, required that for that first
18 year that we keep the same funding mix, the same
19 distribution, the allocation of dollars that was
20 originally provided by the State. For the
21 subsequent years, we would provide a formula to the
22 City and County, which they would approve, and then
23 we would go with whatever the new formula was.

24 For this year, we asked to move

1 forward with the exact same formula because the
2 factors that go into determining the Federal
3 allocations have not changed significantly. Meaning
4 that when we see a shift in demographics, when we
5 see a shift in the number of companies that are
6 leaving, the number of plant closings, then you go
7 back and change the underlying formula. But, for
8 the most part, there has not been a significant
9 shift that would warrant moving more dollars into
10 one or the other.

11 COMMISSIONER COLLINS: Let me ask you this
12 question: Either you are an independent 501(c)(3)
13 or you are a quasi, where you have things having to
14 be approved by government, any government, let's say
15 the City. I understand you have to come through
16 this, the money has to come through the State. I am
17 concerned about -- if you are Cook County, why would
18 there be any changes that we have to approve?

19 The only thing that I see that we as a
20 Board legitimately can be involved in, that is the
21 accountability for the monies that we turn over to
22 you in the beginning, because you already have
23 received the money. Once we get past that, in the
24 City of Chicago as well, accountable for the money

1 they turned over to your organization that first
2 year. But beyond that you should be treated as any
3 other 501(c)(3) group unless you somehow are still a
4 quasi-government entity who is nonprofit. That
5 could be it, too.

6 I guess what we need is somebody
7 legally who is back there to tell me who and what
8 you are. I want to understand that.

9 MS. REEVES: I am an attorney -- we are a
10 501(c)(3), an independent 501(c)(3). However, we
11 have intergovernmental agreements with the City and
12 the County and the State that allows us to be the
13 designee for the City and the County to receive the
14 Federal funds on behalf of the City and the County.

15 Through that responsibility, and in
16 accordance with the Workforce Investment Act, we are
17 managed by the Workforce Investment Board. There
18 are twenty-eight members. There is equal
19 distribution between the City and County as to who
20 occupies which spot on the Board.

21 COMMISSIONER COLLINS: Do we have to, as a
22 Board, approve those Board members now?

23 MS. REEVES: No. The Board members are
24 appointed by the Mayor and the Cook County Board

1 President.

2 COMMISSIONER COLLINS: What does that mean
3 legally? How do they have the appointing authority?
4 They can't do that with Transportation or anything
5 else.

6 MS. REEVES: They are the chief elected
7 officials under the Workforce Investment Act. That
8 was spelled out in the intergovernmental agreement
9 that was executed and approved by this Body last
10 June.

11 COMMISSIONER COLLINS: I understand we did
12 that; but, in retrospect, looking back it from a
13 legal standpoint, it kind of bothers me. I am not
14 sure who is responsible for -- I am not saying you
15 are going to do that because you have been in this a
16 long time. Let's just say you are one of these
17 people that would just do what you want to do with
18 the money and come in here with some figures or
19 whatever. Not even come in here with some figures.

20 Where does that liability rest?

21 MS. REEVES: A couple of places. As Herman
22 mentioned earlier -- Herman is actually one of those
23 Board members because we are required under Federal
24 law to have a certain type of representation and

1 economic development is included in that. Herman
2 and his counterpart at the City are both Board
3 members. The Board members have accountability. We
4 have liability insurance for the Board. We have
5 liability insurance for the agency. But the chief
6 elected officials have primary responsibility and
7 authority in accordance with the Federal Act.

8 COMMISSIONER COLLINS: If you do something
9 wrong legally, we can be sued, the Board?

10 MS. REEVES: No. The Board will not be
11 sued. This Board that he sits on, the Workforce
12 Investment Board.

13 COMMISSIONER COLLINS: The Workforce
14 Investment Board will be liable. No money is coming
15 from our taxpayers. Would it come out of your
16 pockets for the Workforce Investment Board?

17 MS. REEVES: When we created the agency, we
18 looked at what the history had been with respect to
19 disallowed costs, on both the City and County sides.
20 What we noticed was that the highest amount had been
21 about \$1.5 million. We took out liability insurance
22 for \$3 million to cover that in the event that we
23 had to pay back any disallowed costs.

24 COMMISSIONER COLLINS: That includes

1 discrimination charges?

2 MS. REEVES: We have separate insurance
3 that would cover those types of acts. But we have
4 insurance specifically designed to address any gaps
5 with respect to disallowed costs that would protect
6 both the County and the City. In addition to that,
7 we have other insurance as an employer.

8 CHAIRMAN DALEY: Commissioner, I share your
9 concern, but I think she has clarified it. She said
10 there is insurance to protect them, that independent
11 body.

12 COMMISSIONER COLLINS: At \$3 million?

13 CHAIRMAN DALEY: Yes.

14 MS. REEVES: That is for disallowed costs.

15 COMMISSIONER COLLINS: That is for
16 disallowed costs. But we sit on the Litigation
17 Committee and see how much money we are spending
18 already for litigation.

19 We can move on because this is
20 something that I'm going to be looking at from a
21 legal standpoint. We can deal with that later. But
22 what I am concerned about -- when I came in I heard
23 you say something about the thousands of people that
24 you all had secured jobs for. Did I not?

1 MS. REEVES: I'm sorry, Commissioner. I
2 missed the last part of your question.

3 COMMISSIONER COLLINS: The number of people
4 that you had placed on jobs. I think when I came in
5 I think that is what you were talking about?

6 MS. REEVES: Right. We placed more than
7 7000 through the Workforce Investment Act. Then we
8 placed probably close to another thousand through
9 other initiatives that we have sponsored and been a
10 part of.

11 COMMISSIONER COLLINS: What kind of
12 companies, or what companies did you place people
13 in?

14 MS. REEVES: We place people at several
15 hundred companies. I can't sit here and run down
16 the list.

17 COMMISSIONER COLLINS: No, no. Would you
18 mind just giving us a list?

19 MS. REEVES: The types of companies we
20 place them in -- we place them in manufacturing
21 firms, we place in retail. We actually helped to
22 place workers on the recent CTA Red Line extension
23 project. We are doing a variety of things. We are
24 working closely with the Bureau of Economic

1 Development. As companies come in and seek 7Bs or
2 6B tax incentives, they are referred to us for any
3 hiring that they might have.

4 COMMISSIONER COLLINS: I heard the Mayor
5 talk about the new businesses that he is bringing
6 into the City -- some he has brought in already.
7 You have first priority on placing your people and
8 training your people for those jobs?

9 MS. REEVES: I would not say that we have
10 first priority through the City. We work with their
11 Economic Development Bureau, and we are brought to
12 the table when they do have businesses coming in.

13 COMMISSIONER COLLINS: How many of those
14 persons that you are counting are placed by your
15 agency people?

16 MS. REEVES: About 7000 are placed directly
17 by our delegate agencies. The others are placed
18 through other initiatives that we might have, where
19 we might have a funding partner. Internally, I have
20 a business relations unit and in their first nine
21 months they have placed five hundred people on their
22 own.

23 COMMISSIONER COLLINS: My problem is -- as
24 you know, I have always been out there working and

1 talking with the people that get funds for that
2 purpose. Many of them are saying that they are not
3 placing people. I don't know, so I have to take
4 your word that you have placed all of these people.
5 I can understand if the Mayor is bringing in new
6 businesses and/or a new business starts up in
7 Chicago or whatever, like Wal-Mart or whatever.

8 MS. REEVES: We place there, too.

9 COMMISSIONER COLLINS: You may get some
10 priority in placing people with those Wal-Marts, or
11 any of the big box companies.

12 MS. REEVES: We have been contacted by a
13 number of different companies. Chipotle contacted
14 us. They asked us to help them with placement in
15 Indiana, Wisconsin, and Illinois. We have been
16 working with Wal-Mart. We have placed several
17 hundred people with Wal-Mart as well. Range Rover
18 called us. We get calls from all sorts of companies
19 for all sorts of positions.

20 COMMISSIONER COLLINS: Who does the
21 training?

22 MS. REEVES: The training would be done --
23 sometimes the training is done in-house by that
24 company. If they so choose, we can do a customized

1 training initiative with them or on-the-job
2 training, or they may just choose to take folks that
3 they feel have the fundamental skills and they will
4 train them internally. We also have training
5 partners that are proprietary institutions, and also
6 we partner with the local City Colleges and
7 community colleges throughout the County.

8 COMMISSIONER COLLINS: I wanted to know
9 about the career tracks, and what percentage of your
10 money goes to career track training.

11 MS. REEVES: All of our money is going for
12 career track training. That is what I was
13 articulating, that we changed the way the training
14 dollars have been used. Before anyone can come in
15 -- it was almost eight hundred different occupations
16 that people could choose from; whether there was a
17 job at the end of that training or not.

18 We changed that so that we are really
19 focused around the high growth-high demand jobs in
20 this local market. We analyzed labor market
21 information. We actually hired labor market
22 analysts for the agency so that they could help us
23 evaluate and determine where the jobs are. That is
24 the only area that we will train people in for the

1 individual training accounts, the vouchers that are
2 used for occupational training.

3 If an employer, however, comes to us
4 and says, "I have significant positions where I am
5 going to be doing some local hiring; we need
6 training"; then we would partner with them to do a
7 customized training program.

8 But for our individual training
9 vouchers, we are limiting that to seven high-growth,
10 high-demand industries that we know exist in this
11 region.

12 COMMISSIONER COLLINS: Are you finding that
13 we are not spending as much of our dollars,
14 government dollars, taxpayers' dollars, on training
15 itself because they are participating and doing
16 their own training?

17 MS. REEVES: We have a requirement by the
18 State to spend at least forty percent of our dollars
19 on training.

20 COMMISSIONER COLLINS: I understand that.
21 So you need less money now for training that you did
22 before.

23 MS. REEVES: If we spent less, then we
24 would run afoul of the local policies for this

1 State. We can't spend less than forty percent.

2 CHAIRMAN DALEY: Commissioner Gainer.

3 COMMISSIONER GAINER: Good afternoon,
4 Karin.

5 MS. REEVES: Good afternoon, Commissioner
6 Gainer.

7 COMMISSIONER GAINER: It is nice to see
8 you.

9 MS. REEVES: It is nice to see you as well.

10 COMMISSIONER GAINER: I know you briefly
11 alluded to youth funding. I wanted to understand
12 that better, because there is nothing in here that
13 talks about the outcomes. There are outcomes for
14 displaced workers and for adults, but not for young
15 people.

16 MS. REEVES: I am sorry. We did not
17 include the youth outcomes. I will have to get that
18 to you. I apologize.

19 COMMISSIONER GAINER: You said something
20 that was interesting to me. If we are looking for
21 that -- most of the time that young people want a
22 job is during the summer. But the way the funding
23 -- what I heard you say is that the funding is
24 structured such that in order for you to have good

1 outcomes, your agency, you would have to keep the
2 young people engaged for an entire year.

3 MS. REEVES: It is a one-year program.

4 COMMISSIONER GAINER: Do you have any
5 flexibility in how they are involved? What do you
6 mean when you said your outcomes weren't very good
7 for that? You had a hard time keeping people
8 engaged.

9 MS. REEVES: Not that we had a hard time
10 keeping people engaged; many of the youth agencies
11 closed their doors because they could not stay
12 afloat.

13 COMMISSIONER GAINER: Was that because of
14 the yearlong structure of the program?

15 MS. REEVES: Not because of us, but because
16 in some cases there was actual mismanagement. In
17 some cases, they could not perform under the
18 contract. Every agency had a different set of
19 circumstances.

20 COMMISSIONER GAINER: I want to try to
21 understand. We used to have jobs funding.

22 MS. REEVES: Through the ARRA funding.

23 COMMISSIONER GAINER: Summer jobs, as we
24 all are aware, long preceded the Recovery Act or

1 anything to do with that. Historically, for most of
2 our entire lives, there has been a summer jobs
3 program, both for the City and Cook County.

4 MS. REEVES: Right, but not through the WIA
5 program.

6 COMMISSIONER GAINER: So then it turns to
7 Herman or someone else here. The City is still
8 having a summer jobs program.

9 MS. REEVES: Right. They either raise
10 corporate funds or they get private contributions to
11 fund those programs.

12 COMMISSIONER GAINER: What you are saying
13 is right now workforce development is potentially
14 shifting to be much more involved with adults and
15 displaced workers and is no longer going to be the
16 home for what traditionally we think of as the youth
17 summer jobs program? You may have a number -- I
18 want to know the number -- of programs for young
19 people that are yearlong; but one of these tenets --
20 kind of tent pole type of activity that we think
21 about local governments doing, which is hiring young
22 people or facilitating the hiring of young people in
23 the summertime -- is that not going to be a part of
24 this Workforce Partnership going forward?

1 MS. REEVES: If we get diversified funding
2 that allows us to do a summer youth program, we are
3 more than happy to do that. But the tenets of the
4 Workforce Investment Act is not so much to focus on
5 getting kids a "quick fix" summer job. It is really
6 focused on long-term development of employability.

7 So the outcomes that we are measured
8 by for youth under the Federal Act are an increase
9 in reading skills, literacy skills, an increase in
10 math skills, numeracy skills. We also look at
11 their ability to actually obtain a credential.

12 Then there is also a part that looks
13 at their placement in employment. That is not where
14 the key focus is. The purpose is really for that
15 longer-term growth.

16 COMMISSIONER GAINER: I think that is all
17 great. I guess what I am trying to figure out -- I
18 don't want to have it to be either/or. I think we
19 may have a desire to have both. I think that long-
20 term thing is great. I think it is more expensive.
21 There is only a limited number of young people that
22 will stick through the entire time. Sometimes you
23 have to solve the problem that people want to solve
24 at the time that they want to solve it, as opposed

1 to the one they should or need to solve.

2 There is still going to be a desire,
3 in my personal opinion, for a summer jobs program
4 for youth. Quick fix or not, having someone
5 employed is always better than not having someone
6 employed, especially when they are young.

7 Herman, you look like you are dying to
8 say something?

9 MR. BREWER: I was just going to try to
10 sort of bridge some of what has occurred. I would
11 say over the last three to five years what has
12 occurred has been kind of, as you said, a quick fix.
13 A number of summer youth initiatives have been
14 funded by sort of very quickly assembling dollars
15 from various programs, and some things thrown
16 together for a two- to three-month period. It has
17 sort of been done year to year -- not planned.

18 One of the challenges for this entity
19 to consider going forward is how to design something
20 that can acquire funding, corporate support,
21 philanthropic support, as well as government. Let's
22 say for 2015 and 2016 and beyond, can maybe model a
23 program approach that the Feds will fund through
24 this mechanism.

1 Again, for the last three to five
2 years I have been at the sort of local neighborhood
3 agency level where we have kind of thrown something
4 together very quickly. That is what it has been.
5 It has been leftover dollars from other programs,
6 and it has been year to year. It's never been a
7 sustained program designed. There hasn't been
8 leadership at higher levels -- I will say Federal
9 levels -- to support it.

10 I think we have the ability to craft
11 and design something as a model for funders to
12 consider. This is what it has been.

13 MS. REEVES: It has been a patchwork of
14 grants, discretionary dollars from a variety of
15 resources. One of the benefits of us being a
16 nonprofit is that we are actually able to apply for
17 grants. We are in the process of applying for a
18 multimillion dollar grant for youth initiatives. We
19 don't know if we are going to get it. We hope we
20 are. We actually received an invitation to apply.

21 We currently are funding twenty-three
22 different youth organizations throughout all of Cook
23 County. But in terms of kind of that leeway,
24 especially with respect to the Federal guidelines,

1 we really don't have that.

2 COMMISSIONER GAINER: I will just throw out
3 two things --

4 MS. REEVES: I'm sorry -- let me also say
5 that there can be a summer youth component for the
6 kids that are already enrolled in the year-round
7 program. They certainly can do that. That is not
8 something that will just be widely open to everyone
9 through what you see in the One Summer Chicago
10 program. We actually participated in that, other
11 than to say: These are the slots that we have; here
12 are the criteria; kids are welcome to apply, but
13 understand it is more than just a summer engagement.

14 COMMISSIONER GAINER: How many children are
15 in the yearlong program?

16 MS. REEVES: I do not have my youth
17 enrollment numbers.

18 COMMISSIONER GAINER: Karin, if you can get
19 back to us generally on all of the youth stuff, I
20 would appreciate that.

21 MS. REEVES: I will definitely get back to
22 you.

23 COMMISSIONER GAINER: I will put one thing
24 out there. Number one, I personally, and I know I

1 am not alone here, would like to see us try to
2 figure out something about an eight-week summer
3 youth initiative.

4 MR. BREWER: Commissioner, there are 4500
5 kids in the year-round program.

6 MS. REEVES: Thank you. My staff is out in
7 the audience. Forty-five hundred kids in the summer
8 youth program, in the traditional youth program.

9 COMMISSIONER GAINER: I would still like
10 the details similar to what you gave us for the
11 other populations.

12 MS. REEVES: Sure. We have that.

13 COMMISSIONER GAINER: Two things. One is
14 -- I would like to figure out whether it is working
15 with you and how you guys want to move forward. I
16 think there is a huge unmet need. Whether it short-
17 term jobs, it doesn't matter; it is always better.
18 It is a gateway potentially into maybe a potential
19 pipeline into this bigger investment of these 4500
20 young people. I would like to figure out a way for
21 us to work together -- whether that is separate
22 funding or however we go. As Andrea will recall, I
23 am going to start to call in from what I know was a
24 commitment, as we talked about, from Lollapalooza

1 money -- \$350,000 a year.

2 MS. REEVES: Which we didn't receive.

3 COMMISSIONER GAINER: I know you didn't.

4 We are working on it. I can tell that all the
5 people are excited. We can talk about it. It is
6 going to be great.

7 The second thing I wanted to put a bug
8 in your ear about -- kind of nationally and even
9 internationally there is this whole issue of the
10 sixteen- to twenty-four-year-old age group. What
11 are we doing with this age group? Lower skills all
12 across the board. In my other life at AON, I know
13 we adopted the City Colleges, the Harold Washington
14 College, and created a finance and insurance
15 cluster. We are helping to redesign the curriculum.
16 We are doing a whole bunch of things.

17 One of the most useful things, after a
18 year and a half in, that we told the students and
19 the professors was that it was the interaction with
20 our staff. We will have a networking event where we
21 will get all of the people that work at the office,
22 and we will invite the students from Harold
23 Washington over -- who are not all young people;
24 obviously there is a range.

1 That kind of social-professional
2 networking is really important. Things that we
3 might take for granted, the ability to have a
4 conversation and engage. We have lined up a whole
5 bunch of employers in industry to meet people. Then
6 there was a big hiring initiative this summer. AON
7 took in about fifteen people; so did seven or eight
8 other insurance firms. We are working on a similar
9 program in London.

10 I think this idea of an apprentice
11 program, it is much longer, it is eighteen months.
12 Outside of this country there is often a greater
13 focus on investing in people when they leave high
14 school to really not to think -- if people are not
15 going to go to college, how do you invest in them
16 into skills? They don't have to include
17 universities, but they are really substantive.
18 Maybe that is something we can follow up on.

19 I don't want it to be either/or. I
20 think the summer component is really important. I
21 would like to figure out a way to work on that with
22 you.

23 MS. REEVES: I would love to work with you
24 on that. I certainly by no means meant to suggest

1 it is not important. We just don't have the
2 discretionary funds at hand to actually do it. If
3 we can find a way to make those dollars available,
4 we will be more than happy to administer such a
5 program.

6 With respect to AON -- let's have a
7 conversation about that. We are looking to engage
8 more with corporations.

9 Also, I would not that for our youth
10 component, mentoring is a very key element. So
11 those opportunities to connect with people who are
12 within organizations and have professional
13 establishments, it is really helpful to give the
14 kids just sort of something to aim for.

15 COMMISSIONER GAINER: I also like the idea
16 -- to Herman's point -- if we can structure
17 something for the summer to help put us in a better
18 position to go for something more long-term, I would
19 like that, too. We will follow up.

20 MS. REEVES: Thank you.

21 CHAIRMAN DALEY: I am not sure how we work
22 with our contractors or vendors. Maybe there is a
23 training program that we can work with them. They
24 are doing business with the County, so we could

1 train these people long-term. The bottom line is
2 long-term. A commitment over the summer -- we see
3 Cristo Rey School that is working with various
4 businesses throughout the City and County. That is
5 an avenue I believe we should all work on.

6 Vice Chair Sims.

7 COMMISSIONER SIMS: Hello, Karin.

8 MS. REEVES: Hi, Commissioner. How are
9 you?

10 COMMISSIONER SIMS: Karin, two things I
11 have heard here. What do you do with the money that
12 you receive from the Federal Government, if you are
13 not putting young people to work? If I heard you
14 correctly, your agency does not put young people to
15 work.

16 MS. REEVES: That is not correct.

17 COMMISSIONER SIMS: Okay. Then I
18 misunderstood.

19 MS. REEVES: We have certain performance
20 metrics that we are held accountable for. One is
21 increasing young people's literacy; one is
22 increasing their numeracy; one is ensuring that they
23 are earning credentials, and the other is putting
24 them to work. There is not as great an emphasis on

1 the work piece as there is on the other pieces
2 around, ensuring that they are employable long-term.

3 Let me also be clear. We don't
4 directly provide the services. We fund the delegate
5 agencies that are responsible for compliance with
6 the Federal Act. We have twenty-three youth
7 agencies that do, indeed, put youth to work.

8 COMMISSIONER SIMS: Are these twenty-three
9 agencies that put young people to work, are they
10 located in the City, suburbs, or do you have a
11 breakdown of where these agencies are located?
12 Because I am one of those people that have been
13 sitting here saying: I have no idea of what kids
14 got summer jobs. I got calls all summer. I think
15 you and I have talked about this. I got calls all
16 summer from people saying -- the ministers,
17 agencies, they are all calling me saying, "Where is
18 your summer programs? We don't have any kids that
19 are able to work." As far as I know, there were no
20 kids working this summer because that is all I heard
21 is that no kids are working.

22 MS. REEVES: That is not possible. It's
23 possible that you got a lot of calls that people
24 said that they weren't working. It's not possible

1 that they weren't working at all. That's because we
2 fund Martha's, which I think is in your area; is it
3 not? Martha's has got several hundred thousand from
4 us. We fund groups in Chicago, in northern Cook
5 County, southern Cook County, west suburban Cook
6 County. We fund everywhere.

7 COMMISSIONER SIMS: Let me ask you this:
8 When the funding came to Aunt Martha's -- maybe this
9 is the problem. Does Aunt Martha's know that it is
10 the County-City collaboration and they think that
11 the funding is just coming from -- what is your
12 program called?

13 MS. REEVES: The Chicago Cook Workforce
14 Partnership. They understand that we are a product
15 of the City-County collaboration, absolutely.

16 COMMISSIONER SIMS: From the calls I got,
17 no kids were working.

18 MS. REEVES: You also have to understand
19 that they have limits on the number of kids they can
20 take. Aunt Martha's capacity might be at 150 or 200
21 kids. They may not be able to serve the entire
22 demand. Even when you look at the, for example, One
23 Summer Chicago initiative, they might have gotten --
24 I remember last year, 2011-2012, they got 30,000

1 applications, but they only had room for about
2 19,000 kids.

3 COMMISSIONER SIMS: Nineteen thousand kids
4 is still good, but when we are talking about
5 suburban kids, they got hardly any. That is a big
6 difference and a big disparity.

7 MS. REEVES: I understand. I can give you
8 the data that shows the number of kids that we serve
9 in the south suburbs versus the west suburbs and the
10 northern suburbs as well.

11 COMMISSIONER SIMS: We would like to have
12 that.

13 I sit here and I listen to everybody
14 talking about there is no blueprint for how you do a
15 summer youth program. I came out of the NYC
16 program. I think you and I have talked about that
17 when you first came here. This was one of the best
18 programs I think any city could have. What that
19 was, it was a City-private partnership where they
20 put young people to work. I worked in NYC for two
21 years. I worked for the Main Post Office and I
22 worked for the VA Hospital. I got that through the
23 NYC program.

24 When you say that you are trying to

1 figure it out, somebody should go back and look. I
2 am going to tell you who you can talk to. Al
3 Pritchett could tell you.

4 MS. REEVES: I am not saying there is no
5 blueprint, Commissioner. What we are saying is that
6 there is no discretionary funding that allows us to
7 do it. That is what we are saying. We know how to
8 run a youth program. I ran the summer youth program
9 here before we switched over to the Chicago Cook
10 Workforce Partnership. That is because we had the
11 money to do it.

12 I don't have the discretionary dollars
13 to do a youth program. I think that is part of the
14 discussion that we were just having. If we can
15 identify other sources to give us the discretionary
16 funds that are not tied to Federal regulations that
17 have very specific outcomes that they are asking
18 for, we are more than happy to do the programs.

19 COMMISSIONER SIMS: What is the Federal
20 guidelines for youth employment?

21 MS. REEVES: As I mentioned, first the
22 youth has to be low income. I call it low income
23 plus. They have to be low income as a threshold.
24 Secondly, if they can fall within one of eleven

1 other criteria -- they can be a parenting teen, they
2 can be a foster child, they can be aging out of
3 foster care. They can be low literacy. They can
4 have low numeracy. There is a whole bunch of
5 criteria. But they have to first be low income, and
6 then one of those other criteria.

7 From there, if they enroll in the
8 program, the program is required to track them and
9 measure their outcomes over the course of a year.
10 Anybody who falls short of that and does not
11 successfully exit, then that is a mark against them
12 in terms of performance outcomes.

13 The performance outcomes are literacy,
14 numeracy, earn their credential, or being placed in
15 employment. That is what is required under the WIA
16 Act.

17 COMMISSIONER SIMS: What is your success
18 rate with that?

19 MS. REEVES: Right now -- bear with me --
20 the outcome right now is about fifty-one percent for
21 youth that is placed in employment or being enrolled
22 in secondary education during their first quarter
23 after exit. The outcome right now is about 51.4%,
24 which is actually up from the previous years, which

1 was in the high forties. The youth literacy and
2 numeracy gains, which is the percent of basic skills
3 deficient youth to increase one educational grade
4 level within a year. The outcome right now is about
5 forty-eight percent. The total youth positive exit
6 -- we also have been counting it as part of our
7 agreement, the total number of positive exits per \$1
8 million spent. Right now it is about eighty-three
9 positive exits for every million dollars spent.

10 COMMISSIONER SIMS: How many young people
11 are we talking about?

12 MS. REEVES: Roughly about 4000.

13 COMMISSIONER SIMS: Four thousand --

14 MS. REEVES: Across the entire County.

15 COMMISSIONER SIMS: And you are at between
16 fifty and forty-eight percent in some of your
17 criteria?

18 MS. REEVES: Right. That is the target.
19 The other thing you need to know is that there is a
20 data lag because of how the tracking is performed.
21 You exit, then you track for the first quarter after
22 exit. Then you track again for the second quarter
23 after exit. A lot of the data that you have right
24 now isn't all exclusively from The Partnership's

1 work. It is from prior experiences. It is from
2 Cook County Works, from the City. What I just read
3 to you was the actual County targets. We break
4 everything out. We have a City target for all of
5 our different component parts. Then we have County
6 targets as well. We measure that progress every
7 year and report that back.

8 COMMISSIONER SIMS: I think for those of us
9 who have City and suburban Districts I think we need
10 both of those sets of numbers. I think when
11 Commissioner Murphy and I, when we were told that --
12 and also Commissioner Collins. She has some
13 suburban area, too. When we were told that, we have
14 nothing in black and white that says this is what
15 you are doing.

16 If we are not going to have a summer
17 program, we need to tell people -- Cook County
18 doesn't have a summer program. If we don't have any
19 means of hiring any kids for summer jobs, we should
20 be told at the beginning of the year when you roll
21 out your program -- this is where you are going to
22 send kids and this is where kids need to go in order
23 to find a job.

24 I know the City, when they did their

1 program, which is different from your program, it
2 was on everybody's radio station. It told them
3 where to go, what time to be there. I know your
4 department is new, but we need to do that. Our
5 offices need to have it. I know the Aldermen, they
6 get summer youth kids. We didn't get anything.

7 MS. REEVES: They got them because they
8 used corporate funds, which we don't have available
9 right now.

10 I would also note that we held our
11 first annual meeting in August. We invited every
12 Commissioner, every Alderman. We called everyone's
13 offices. We sent electronic invitations. We got
14 two RSVPs from the Commissioners. No one showed up,
15 nor did any Aldermen.

16 COMMISSIONER SIMS: I don't recall getting
17 it. I will talk to my office. I don't recall
18 getting it.

19 MS. REEVES: We emailed and we called every
20 single Commissioner and every single Alderman. It
21 was our annual meeting where we shared our data and
22 where we provided the collateral materials that we
23 provided you with today. If there is a particular
24 address or number that we need to be calling

1 differently, we will be happy to update our records.

2 COMMISSIONER SIMS: I think with the people
3 that are sitting in this room, nobody got it, then
4 somebody needs to check to make sure they got the
5 right address.

6 MR. BREWER: We will forward back what was
7 sent for the actual meeting date and all of the
8 follow-up materials. We will forward back to you
9 the original emails that went to each of the
10 Commissioners and all of the follow-up materials.

11 COMMISSIONER MURPHY: When was that meeting
12 held?

13 MS. REEVES: August 15.

14 COMMISSIONER MURPHY: Where?

15 MS. REEVES: At BMO Harris. It was already
16 held.

17 CHAIRMAN DALEY: I think what she is saying
18 is that she did forward the information to everyone.
19 Commissioner Sims has asked for copies of the
20 emails.

21 COMMISSIONER COLLINS: That is a waste of
22 time. If nobody received them, then you need to
23 check the address. It's already passed and nobody
24 received them. Then you need to check the address.

1 You don't have to forward anything.

2 CHAIRMAN DALEY: I think she wants to show
3 she did forward it.

4 COMMISSIONER SIMS: All we are asking is to
5 make sure and check she has the right address for
6 everybody.

7 CHAIRMAN DALEY: If she did, she should
8 provide copies to the Chair as to when they were
9 forwarded.

10 COMMISSIONER SIMS: I think everybody in
11 this room is on the same page as far as we want to
12 know where the summer youth jobs are. We have too
13 many kids that are dying all over this County, and
14 that is everybody's concern. In Washington I was at
15 a WIA meeting. I said to them, "We label the kids,
16 and it is not always the at-risk kids." You can
17 have a kid that is borderline and if we don't find
18 that kid a summer job -- because he has nothing to
19 do -- guess what he becomes? He becomes an at-risk
20 kid.

21 I think labeling kids "bad", we start
22 talking about low-income kids. Everybody knows that
23 they are either on WIC, SNAP, whatever programs they
24 have out there. We need to find some different

1 labels that we put on these kids or titles that we
2 put on these kids. We need to figure out how we
3 find employment for youth period. Maybe there is a
4 component for at-risk youth or a new name for them.
5 We need to find jobs for those kids that are not at
6 risk.

7 I wasn't an at-risk kid when I went to
8 work at NYC. I wasn't a low-income kid. I was just
9 a kid looking for a summer job. That is what I
10 think everybody here is basically asking because we
11 have nothing right now.

12 CHAIRMAN DALEY: Commissioner Steele.

13 COMMISSIONER STEELE: Thank you, Mr.
14 Chairman.

15 Hi, Karin.

16 MS. REEVES: Hi there.

17 COMMISSIONER STEELE: You mentioned earlier
18 that you are being notified about jobs when we do
19 the passing of certain tax incentives for companies
20 and businesses, with the 6B program and those
21 specialized programs. Are you tracking any numbers
22 of the placement your department does with any of
23 those employers?

24 MS. REEVES: We are tracking. In most of

1 those cases, the work that they are going to be
2 doing is longer term. It is not as though they come
3 to us and tomorrow they are ready to break ground.
4 We actually just instituted this in the past nine
5 months or less -- maybe six months or so. What
6 happens is they make application, they receive a
7 letter that comes from Herman's bureau that
8 introduces them to us. By the time they actually
9 come in to the EDAC, which I actually sit on, I
10 thoroughly and heavily question them about their
11 hiring needs and hiring practices. But usually by
12 the time they have come in they are already
13 connected to our Director of Business Relations.

14 We have actually not had enough time
15 yet to see those jobs come to fruition. I think we
16 have had maybe five who have come before us so far.
17 We are in the process, and we will track. We do
18 track the companies that we make referrals to as
19 well as the number of people that they actually
20 place.

21 COMMISSIONER STEELE: I mention that
22 because we would like to see some results from that.
23 I think we constantly ask about the relationship of
24 these specialized programs that are given tax

1 incentives. We want to know where we are getting an
2 opportunity for employment after we have given that
3 special determination to those organizations.

4 MS. REEVES: I will tell you that I also
5 ask them, the ones that are breaking ground on any
6 type of construction, I also always ask them about
7 construction opportunities in terms of their hiring.
8 It is not just whatever their long-term jobs may be.
9 It is the creation of whatever that project is, and
10 we want to be involved as well.

11 COMMISSIONER STEELE: Thank you. I look
12 forward to getting some reports on that.

13 Secondly, what types of partnerships
14 are you doing through the union organizations, in
15 terms of training opportunities with the unions?

16 MS. REEVES: The unions are admittedly a
17 very tough nut to crack. We have done training
18 through our State Energy Sector Partnership, which
19 is funds that we receive from the Department of
20 Labor. If you look on your very last page in the
21 deck that I have provided, it breaks down our non-
22 WIA programs. The State Energy Sector Partnership
23 -- we train folks in energy conservation. We train
24 folks for Peoples Gas, the utility gas workers'

1 program. That program served both incumbent workers
2 and both the unemployed. We served over four
3 hundred individuals. They earned roughly 450
4 credentials. Then we placed, of the ones that were
5 unemployed, we placed almost three hundred people
6 for that.

7 We also, through that work with
8 Building Operators, and through another local union
9 for job training and placement (??). It is not
10 typical that we are involved with the unions. I can
11 tell you also with the CTA projects, the Red Line-
12 South that we just did. Many of those folks also
13 got bumped into the union or were already union
14 members who had been on the bench that we worked
15 with through our centers to help them get employed.

16 COMMISSIONER STEELE: Any engagement with
17 the Malcolm X project?

18 MS. REEVES: One of the subs -- either the
19 sub or the prime on the Malcolm X project was also
20 on the CTA project. They have been very pleased
21 with the folks that we provided them with. They
22 will continue to work with us. We are not a direct
23 partner on that project because I believe it went
24 through the City Colleges directly. I believe that

1 the Urban League is considered their primary. But I
2 will tell you the Urban League was considered the
3 primary for the CTA project as well, and they set up
4 a hiring center. That hiring center was staffed by
5 my people, and we were doing the actual screening
6 and placing of those individuals.

7 COMMISSIONER STEELE: The last question for
8 you: What type of ex-offender programs are you
9 partnering with in your area?

10 MS. REEVES: The primary ex-offender
11 program for everyone is Safer. All of our agencies
12 can let us know what types of programs they offer.
13 Many of our agencies also offer ex-offender
14 programs. But, really, Safer is kind of the one
15 that has been the leader. Several of the agencies
16 do provide ex-offender training.

17 I would also note that we don't
18 discriminate. We ask people to let us know whether
19 they are ex-offenders or not. We don't
20 discriminate. We try to identify the employers that
21 are ex-offender-friendly, that will take them on.

22 COMMISSIONER STEELE: Safer is the largest
23 of the agencies. Do any of the other organizations
24 designate, when they are requesting funding, that

1 they are doing services for the ex-offender
2 population?

3 MS. REEVES: We ask for that information in
4 the RFP. We ask them to identify the different
5 populations they are going to work with. We can
6 track that and provide that as well in the
7 aggregate.

8 COMMISSIONER STEELE: I am going to ask you
9 for two things. One, to get a list of the
10 organizations by District that you are funding so we
11 can be aware of them so we don't have to look in the
12 future where the summer jobs are located. We know
13 the agencies that we should be sending the people
14 to.

15 Secondly, if you have a list of the
16 type of description they are doing, in terms of the
17 ex-offender population. If you can share those with
18 us so that we can be aware of those as well in our
19 Districts.

20 MS. REEVES: I will be happy to do that.

21 COMMISSIONER STEELE: Thank you.

22 MS. REEVES: That type of information is
23 generally available on our website. We list the
24 awards that we give out, the total amount of awards

1 they may receive, and which funding streams. I will
2 make sure that we put in the detail around the
3 populations as well.

4 CHAIRMAN DALEY: Any other questions?

5 I think maybe we should look at a
6 quarterly report to the Board.

7 MS. REEVES: We provide a response to the
8 STAR report.

9 CHAIRMAN DALEY: To give us a report, a
10 quarterly report.

11 MS. REEVES: For me to come physically in?

12 CHAIRMAN DALEY: Hopefully, we will see
13 that on some of the issues.

14 The other one will be the concerns
15 Commissioner Collins mentioned with the liability.
16 If there is litigation, what liability the County
17 has. I remember when we passed it, Commissioner, I
18 think the State's Attorney looked at this. I
19 remember asking if there was any liability, and they
20 kept saying, "No - no - no." I think you indicated
21 that you have insurance, liability insurance?

22 MS. REEVES: Yes, sir.

23 CHAIRMAN DALEY: Are we named as an
24 additional insured?

1 MS. REEVES: I don't recall right now off
2 the top of my head. I know the State's Attorney's
3 Office was responsible for drafting the IGA and
4 worked out those issues.

5 CHAIRMAN DALEY: Thank you. Thank you very
6 much.

7 MS. REEVES:

8 CHAIRMAN DALEY: Commissioner Collins, I am
9 going according to this agenda.

10 COMMISSIONER COLLINS: You said something
11 about this 501(c)(3), something that required
12 economic development of a government to be on the
13 Board. Did you say that?

14 MR. BREWER: I sit as a representative on
15 the Partnership Board, as a voting member as well as
16 on the Executive Board.

17 CHAIRMAN DALEY: There are how many
18 members?

19 MR. BREWER: Twenty-eight.

20 COMMISSIONER COLLINS: But you are an
21 employee of this Board, an administrator on this
22 Board, part of this Board, in a sense, of County
23 Government. The 501(c)(3) is a private
24 organization. Whatever you do there, are we liable?

1 That is the question that needs to be raised.

2 CHAIRMAN DALEY: I think we will raise that
3 again with the State's Attorney's office.

4 MS. REEVES: Mr. Chairman, if I may. The
5 County would not be liable. We have directors and
6 officers liability for errors and omissions, so he
7 is covered in that regard.

8 COMMISSIONER COLLINS: But says who? I
9 understand you are a lawyer, but is it said under
10 the not-for-profit standards in organizations? I am
11 a 501(c)(3), too.

12 MS. REEVES: It is under the
13 intergovernmental agreement, and we were required to
14 have that insurance to protect all of the Board
15 members. We were required to have that by the City
16 and the County. The State's Attorney's Office
17 vetted that and signed off on it.

18 COMMISSIONER COLLINS: The State's
19 Attorney, with all due respect to our State's
20 Attorney, really doesn't take the time to read, I
21 don't think, most of that stuff.

22 MS. REEVES: They worked with us day-in and
23 day-out.

24 COMMISSIONER COLLINS: They sign off on

1 contracts -- if it is in form, that is all they do.
2 Make sure it is the proper form -- that is all they
3 do. Let's be real.

4 CHAIRMAN DALEY: Our next department is
5 John Cooke.

6 MR. COOKE: Good afternoon, Commissioners.
7 The Office of Capital Planning and Policy provides
8 safe secure and accessible facilities through
9 capital construction projects for all County
10 departments and elected officials. In our first
11 page of the slide here, we will be requesting an
12 increase of approximately two additional staff
13 members for 2014.

14 In our 2013 accomplishments, we were
15 able to fully put in a cloud-based software system
16 that allows us to manage projects more efficiently.
17 We also now have the ability to do project cost
18 forecasting and provide better financial oversight.

19 We have a dashboard now, a Web-based
20 dashboard that allows user agencies to find out the
21 status of their projects, as well as the ability to
22 submit their capital request online.

23 We have implemented the master
24 planning conceptual design for the Stroger campus,

1 and are working on an IGA agreement with the
2 Illinois Medical District to move that project
3 forward.

4 We also are about fifty percent
5 complete with our guaranteed energy performance
6 contracting. We were recognized by Chicago
7 innovation awards for our work with the energy
8 conservation.

9 Our 2014 highlights: We will be
10 looking to expand our staff with an energy manager.
11 He will be able to oversee all guaranteed
12 performance energy contracts as well as provide
13 auditing ability to make sure that the contracts are
14 performing as they should.

15 We will be looking to add staff of an
16 ADA manager; a project director, I should say, so
17 that we can bring all 17,000,000 square feet of the
18 County-operated space up to ADA requirements.

19 We want to fully launch the
20 redevelopment process at the Stroger campus with an
21 RFP going out to bring forth a developer to move
22 forward on the redevelopment process.

23 We are going to implement a demolition
24 program to demolish buildings throughout the County

1 that are vacant or underutilized; specifically at
2 the Oak Forest campus and at the DOC campus.

3 We are going to work with Health and
4 Hospitals to do master planning on the Oak Forest
5 site. We will also do some additional master
6 planning for the Maywood site.

7 The next slide is our capital
8 improvement plan. The plan for this year was
9 created with the help of a comprehensive facility
10 assessment of all 17,000,000 square feet. We were
11 able to identify the preferred maintenance,
12 necessary repairs, and capital renewals over the
13 next ten years.

14 Currently, our forecasted capital
15 renewals are the repairs that are coming to in total
16 to about \$1.2 billion. Our 2014 capital plan will
17 consist of \$205 million in improvements.

18 The last page of our packet shows our
19 performance metric goals of bringing projects in and
20 on budget. In 2013 our goal was keeping all change
21 orders within five percent of the project costs. We
22 are going to lower that in 2014 to about three
23 percent because of our success in our ability to
24 better manage those projects.

1 Are there any questions?

2 Commissioner Murphy.

3 COMMISSIONER MURPHY: Thank you.

4 Thank you, Chairman Daley.

5 On the Oak Forest property, there are
6 some buildings there. Are they going to be
7 destroyed? What are you going to do with them? Are
8 the buildings there going to be used for something
9 else? Or are they going to be fixed or used for
10 another purpose? I didn't really catch what you
11 said.

12 MR. COOKE: At this point, we are going to
13 work with Health and Hospitals to do master planning
14 to determine which buildings need to stay and which
15 ones need to be removed. There are some buildings
16 there that have significant structural damage that
17 need to be demolished.

18 COMMISSIONER MURPHY: I understand building
19 number five is pretty bad. That is the one we are
20 using now. I heard that there were a lot of
21 deficiencies in that building.

22 MR. COOKE: The plan going forward would be
23 not to continue to make a significant investment in
24 Oak Forest, additional significant investment. We

1 have just started to look at demolishing the
2 buildings and removing them from an operational
3 cost.

4 COMMISSIONER MURPHY: Is there still a plan
5 for a Homeland Security building? Is that still
6 going up there; isn't it?

7 MR. COOKE: we do have the Homeland
8 Security project still underway. We do have the new
9 Building E, the clinic building. Right now the
10 total square footage at Oak Forest is about 1.2
11 million square feet. We are only using about
12 250,000 of it.

13 COMMISSIONER MURPHY: Has there been any
14 more talk about a helipad out there?

15 MR. COOKE: No, not under our current
16 discretions. But we are going to do master planning
17 and programming with Health and Hospitals. They may
18 have some additional ideas that they want to
19 discuss.

20 COMMISSIONER MURPHY: I would really highly
21 suggest that. If there was ever any kind of a
22 disaster downtown or any kind of a catastrophic
23 occurrence, at least that would be a place where we
24 could move people or move records or move whatever

1 we needed to move. Stroger has a helipad at Stroger
2 Hospital. I know having one out at Oak Forest would
3 be kind of an ideal location for ferrying people
4 back and forth, if the need ever arose.

5 MR. BREWER: There has been input from
6 Homeland Security on the notion of the sort of thing
7 you are mentioning. So it is part of the
8 conversation.

9 COMMISSIONER MURPHY: It is? Good. Thank
10 you.

11 CHAIRMAN DALEY: Vice Chair Sims.

12 COMMISSIONER SIMS: I' sorry. You may have
13 answered my question. My question is about the
14 demolition at Oak Forest Hospital. Are any of those
15 buildings of any value that you are talking about
16 demoing them?

17 MR. COOKE: Value in terms of the salvage
18 value?

19 COMMISSIONER SIMS: Historical --

20 MR. COOKE: Not in our preliminary survey.
21 The ones that have been identified to be demolished
22 right now have no significant or historical value at
23 this point, the initial ones that have been
24 identified.

1 COMMISSIONER SIMS: Is the nursing
2 quarters, is that one that you are demolishing? Or
3 is that one that is staying? I would think that
4 that would be one you would keep.

5 MR. COOKE: That is not on this first round
6 of demolition.

7 COMMISSIONER SIMS: Is that on your list
8 though?

9 MR. COOKE: We have a first round that
10 Health and Hospitals has clearly said these
11 buildings either have structural deficiencies or
12 have no need. So those are the first. Then we are
13 going to go into in-depth planning for a master plan
14 of the campus. Then we will make further
15 determinations at that point.

16 COMMISSIONER SIMS: I would suggest that
17 the nurses' living quarters, see if that has any
18 historical value to that one. I think that is one
19 of the sites -- I am not sure; Joan may know that
20 and I don't. If that is an original building, if
21 that has some kind of historical significance to
22 that building.

23 CHAIRMAN DALEY: I think most of them are
24 original. They would be original.

1 COMMISSIONER SIMS: Someone was telling me
2 about that particular building.

3 COMMISSIONER MURPHY: I think in that
4 building they were looking at, they had archived a
5 lot of stuff there. I think in that building also
6 is where they had the list of those that had been
7 buried in the cemetery, and all of that sort of
8 thing.

9 COMMISSIONER SIMS: Before you consider
10 that that is one of the ones that is on your
11 demolition, you want to make sure that it doesn't
12 have any historical significance.

13 MR. COOKE: We will do it, and we will be
14 bringing in the actual list of the buildings to be
15 demoed back as a project to go before the Board for
16 approval.

17 COMMISSIONER MURPHY: Where they are
18 located and what the buildings are.

19 MR. COOKE: I will do that, yes.

20 CHAIRMAN DALEY: Any other questions?

21 Thank you very much, John.

22 We will now go to the Cook County land
23 Bank Authority. Peter Freeman will make the
24 presentation.

1 MR. FREEMAN: My name is Peter Freeman. I
2 am a Board member of the Land Bank, and Chairman of
3 its Land Transactions Committee. Thank you for
4 having me here today.

5 The Land Bank is an agency of the
6 County that was created by County ordinance in
7 January of this year. Per that ordinance, the Land
8 Bank is required to submit a budget to the County
9 Board of Commissioners, and it is the goal of the
10 Land Bank to continue to be self-serving and self-
11 sustaining so that no corporate funds are being used
12 to fund the Land Bank. Our request today in our
13 budget is consistent with that goal.

14 The mission and goal of the Land Bank
15 is to reduce and return vacant land and return
16 abandoned buildings back into sustainable community
17 assets.

18 The Land Bank is governed by a
19 fifteen-member Board of Directors, and since its
20 creation we have all worked actively and very hard
21 over this year to get the Land Bank up and running
22 and fully operational.

23 Before you today is our special
24 purpose fund budget, as well as our grant funds from

1 the Illinois Attorney General's Office.

2 Regarding the special purpose fund,
3 the Land Bank intends to create programs and
4 policies in FY'14 that will result in the collection
5 of revenue. Because of this, we were required to
6 establish a special purpose fund as the depository
7 account for all incoming revenues generated by the
8 Land Bank.

9 With regard to the revenue projections
10 for FY'14, we have estimated that the Land Bank will
11 bring in a little over \$2 million in revenue. Let
12 me break that number out for you; \$750,000 will come
13 from CDBG, community development block grant
14 programs, which is administered by the Bureau of
15 Economic Development. These funds can only be used
16 for demolition projects. One million of the
17 revenues will be property donation fees. The Land
18 Bank will work with banks, not-for-profits, for-
19 profits, and individuals to take over unwanted lots
20 or buildings and houses.

21 In the case of an REO, real estate
22 owned by banks, the bank will be required to fund
23 the transfer of any unwanted properties to the Land
24 Bank.

1 Two hundred thousand in revenues we
2 estimate from transactional holding fees. These are
3 in order to encourage economic development in
4 neighborhood stabilization. The bank can hold
5 property tax-free because it is a government entity
6 doing development and build-out. The fact that we
7 can do that helps developers and others interested
8 in assisting with the revitalization of the
9 property. The bank can charge a holding fee to the
10 developer or the ultimate user of the property
11 during that hold period.

12 Lastly, \$100,000 in rental income.
13 The Land Bank may hold property when it has it
14 during an intermediate use for rental housing. We
15 included a small amount for potential revenue,
16 rental income.

17 Expenditure projections for FY'14. We
18 have estimated that the Land Bank will spend
19 approximately \$1 million. Seventy-five percent of
20 that will come directly through the funding that I
21 just mentioned for demolition through the CDBG grant
22 funds. The remaining twenty-five percent will be
23 held in reserve, should the Land Bank need to access
24 additional funds during the fiscal year.

1 It is important to note that the Land
2 Bank can only access funds that it has in the
3 account, even with the reserve account, although
4 even with the reserve account if there are no funds,
5 then there is nothing for the Land Bank to draw
6 down. There will be nothing for the Land Bank to
7 draw down.

8 Regarding the Attorney General grant:
9 On July 17, 2013, the Attorney General dedicated \$70
10 million for her portion of the national foreclosure
11 settlement toward relief efforts for Illinois
12 communities fraught with vacant and abandoned
13 properties. The funding seeks to help rebuild
14 neighborhoods that have been hardest hit by
15 foreclosure in two critical ways. By rebuilding and
16 rehabilitating vacant and abandoned properties; to
17 turn around blighted neighborhoods; and by providing
18 critical housing counseling to homeowners and
19 renters to build stable communities.

20 By receiving \$4.5 million, the Cook
21 County Land Bank was the largest recipient of funds
22 from the Attorney General. We are currently in
23 discussions with the AG's Office to prepare a grant
24 agreement. This grant agreement is scheduled to be

1 finalized by the end of this month, at which time
2 the Land Bank will have to consider and accept the
3 grant agreement and approve a budget for \$4.5
4 million.

5 Thank you for your support and
6 consideration. I will be happy to answer any
7 questions you might have.

8 MR. BREWER: If I might add one point of
9 clarification: The total Attorney General award to
10 our Land Bank proposal was \$6 million, the largest
11 of any in the State. One point five of the \$6
12 million went to the South Suburban Land Bank, who
13 are our co-partners in the actual proposal. The
14 balance is the four point five that the Cook County
15 Land Bank Authority will retain.

16 CHAIRMAN DALEY: Commissioner Murphy.

17 COMMISSIONER MURPHY: How can realtors help
18 us with the properties in the Land Bank?

19 MR. FREEMAN: The realtors have been
20 actively engaged --

21 COMMISSIONER MURPHY: I know they have, but
22 what do they actually do? And how do they do it?

23 MR. FREEMAN: I would just say their
24 knowledge of the neighborhoods, the knowledge of

1 which properties they may know which properties are
2 vacant or not used quicker than a lot of people.
3 The former president of the association was with us
4 at our last meeting talking about land transaction
5 policies. I think they are actively engaged. I
6 think they can serve a valuable purpose.

7 MR. BREWER: And he is on the actual Board
8 as well.

9 COMMISSIONER MURPHY: I knew they were
10 involved. I wasn't sure exactly what part they
11 played.

12 Would they be advertising some of this
13 property or selling some of this property, or
14 looking for developers of this property? What would
15 their return be if they find someone for this
16 property? Is there anything in it monetarily for
17 them?

18 MR. BREWER: I can answer that. That is
19 certainly on a deal by deal basis. There are some
20 realtors, for example, who may come in and represent
21 a portfolio of properties that they may have been
22 asked to represent by either a lender, developer, or
23 a municipality. The compensation levels are really
24 dependent on each transaction.

1 COMMISSIONER MURPHY: But they can be used
2 to secure properties or to sell properties?

3 MR. FREEMAN: One of the first things we
4 wanted the real estate community to understand was
5 that we were hoping -- our hope, rather, is that the
6 activities of the Land Bank will shorten the period
7 by which properties undergo a lot of complexity.
8 Meaning title issues, back tax issues, all of those
9 things that compel owners to have properties remain
10 dormant - vacant. So our process will shorten that
11 period, and allow for a much more vibrant real
12 estate transaction activity in areas where
13 properties have just remained dormant.

14 COMMISSIONER MURPHY: Thank you.

15 CHAIRMAN DALEY: Vice Chair Sims.

16 COMMISSIONER SIMS: I know you mentioned
17 non-for-profit real estate. Let's just say you had
18 a private owner that said, "I have a vacant piece of
19 property. I would like to bank it in a land bank."
20 Maybe it needs to be demoed. Maybe at some point
21 they would want to sell it. Is there something in
22 the Land Bank authority to do that? Or is this just
23 limited to real estate people or 501(c)(3)s?

24 MR. FREEMAN: It is not so limited. The

1 bank is creating policies that are very broad and
2 provides the bank with an extreme amount of
3 flexibility in considering any proposal or any
4 property that will satisfy the goal of the bank,
5 which is to rejuvenate the property. So it is not
6 preclusive of who may own the property.

7 COMMISSIONER SIMS: So it could be somebody
8 who owned or has inherited a piece of property; they
9 could go to the Land Bank and say, "I have this
10 piece of property. I am not doing anything with it.
11 I don't see right now that I can sell it." How does
12 that work?

13 MR. BREWER: I think procedurally the Land
14 Bank will be able to assist that person. They can
15 make referrals to have other technical advisors,
16 anybody help them with the transaction.

17 The thing we are hoping we don't run
18 into are too many single property requests and
19 transactions like that. Because then it will bog
20 down, and it will never have impact.

21 What we anticipate is that we will be
22 working with municipalities. We are working with
23 developers in partnership with municipalities. The
24 property owners and the like -- lenders -- can be

1 looking at significant acreage. And also not just
2 in the housing front. We are trying to look at
3 industrial tracts and commercial tracts as well, so
4 that the transactions that we deal with end up
5 having impact in a broad spectrum of communities
6 where the change is needed.

7 COMMISSIONER SIMS: If that person came to
8 you, would that be a sale to the Land Bank or would
9 it be a gift to the Land Bank?

10 MR. FREEMAN: We don't know. It is going
11 to depend on the specifics of the land and on the
12 specifics of the transaction.

13 COMMISSIONER SIMS: Now I have talked to
14 someone in Commissioner Gainer's office. I have a
15 minister in my District who has some property that
16 he wants to land bank. He wants to develop it. But
17 he is not ready to develop it right now because he
18 is working on another project. Are you guys looking
19 at that right now? Or is that just -- where are we
20 with that? Do you know?

21 MR. FREEMAN: We are not. We are going to
22 look at everything, but we are not looking at
23 anything specifically right now because we are in
24 formation. We are getting our revenues in.

1 COMMISSIONER SIMS: You are not actually
2 ready?

3 MR. FREEMAN: Correct.

4 MR. BREWER: This Board is doing a lot of
5 very perfunctory due diligence work in setting its
6 policies and procedures. There is also a search
7 underway for an executive director.

8 COMMISSIONER SIMS: I thought you guys were
9 there already, but you are not there yet.

10 MR. BREWER: We are having a lot of
11 meetings and there is a lot of work underway
12 internally, not very exciting stuff, but working
13 very, very diligently in setting up all of the
14 policies and procedures and the framework for those
15 transactions to occur.

16 COMMISSIONER SIMS: When will you roll this
17 out, where actually you guys are up and running and
18 taking stuff in the bank?

19 MR. FREEMAN: The first quarter of 2014.

20 MR. BREWER: This is a very dramatic thing
21 that we are setting the stage for. What has
22 occurred thus far in the establishment of the Cook
23 County Land Bank Authority has been nationally
24 recognized. Once we begin, we will be effectively

1 recognized as the largest of such land banks in the
2 country.

3 We are trying to set up a framework
4 that is very carefully constructed. We are working
5 a lot with internal teams, folks like the Assessor,
6 the Treasurer, the Clerk, as well as the staff in my
7 Bureau, along with the Board itself, so that we are
8 set to go when the executive director is on board.

9 We have gotten, as we mentioned, the
10 capital acquired -- the Attorney General's
11 settlement. There has been money forwarded to this
12 effort from the Chicago Community Trust. There was
13 a lot of conversations and negotiations on the way,
14 again with the municipalities and lots of folks.
15 When we turn the key, we are up and going.

16 COMMISSIONER SIMS: My next question is:
17 How do you work hand-in-hand with my Committee?
18 Because I am the Chairman of the Tax Delinquency
19 Committee.

20 MR. BREWER: We will be, yes.

21 COMMISSIONER SIMS: I am asking: How do
22 you?

23 MR. FREEMAN: We are looking at it. A lot
24 of the staff has worked with you in the past, for

1 example on the no-cash bid work and all of that.
2 They are at every single meeting.

3 COMMISSIONER SIMS: I was at a meeting last
4 night in a Ward. They are doing a TIFF. The City
5 is going to take a lot of those abandoned and vacant
6 properties in the TIFF. Maybe I am putting the cart
7 before the horse, because I don't know how they are
8 going to do this. You don't know this either, so I
9 guess I am just thinking out loud.

10 Will they have to go through the
11 procedure -- the usual procedure where it goes to
12 the City Council? Because that is where they
13 stopped when they gave their presentation. When
14 they went before the City Council, that would be the
15 end. That is what the developer -- I can't think of
16 the gentleman's name. He is the developer who does
17 the TIFFs over on the City side. Once he got to the
18 end, where he said it goes to the City Council, he
19 didn't go any further to tell the community what was
20 next. I am thinking next he has got to come here.
21 He has got to put all of those parcels in that, then
22 they have to come before the Tax Delinquent
23 Subcommittee.

24 Are they now going to go to the Land

1 Bank?

2 CHAIRMAN DALEY: Commissioner, I would
3 assume that if it is in the City the next step would
4 be dealing with the Alderman.

5 COMMISSIONER SIMS: What is the next step
6 if they are going to develop those properties? In
7 the TIFF, they just can't come and take that land.
8 Usually what they have done is come before the
9 County to do a no-cash bid. I am trying to figure
10 out --

11 CHAIRMAN DALEY: I would assume they would
12 follow the same guidelines.

13 Commissioner Gainer.

14 COMMISSIONER GAINER: Lawrence Grisham, who
15 runs Planning and Development under Andy Mooney, the
16 Vice Chair of the Board. We are currently in the
17 process of doing an IGA with the City. Parcels like
18 that will be done on a development by development
19 basis. The same way if someone comes in, any
20 potential owner comes in with a parcel that they
21 want to develop, the Land Bank will participate in
22 whatever way that makes the most sense.

23 COMMISSIONER SIMS: My question is: The
24 City can't take those. They just can't go in and

1 take those parcels. They have to come before the
2 Tax Delinquent Subcommittee, as in the past, to
3 bring those to us. They go to Committee. We vote
4 on them. The City gets them back.

5 Now is that the same path? Then they
6 go to the Land Bank?

7 CHAIRMAN DALEY: It will be the same. It
8 will go through that format.

9 COMMISSIONER GAINER: The Land Bank will
10 just act as another partner. When you are dealing
11 with an entity that has got a number of tools and
12 Home Rule authority that the City does, the Land
13 Bank will probably do other things. The real value
14 for the Land Bank is acting with private developers,
15 suburbs, people that don't have all of the tools and
16 resources of the City of Chicago.

17 With the City, A, nothing will change.
18 B, we may work with them in partnership to bring
19 other privately-owned land to the table for
20 development, and then you work in collaboration.

21 CHAIRMAN DALEY: Commissioner Butler.

22 COMMISSIONER BUTLER: Do both of these
23 entities have Home Rule?

24 CHAIRMAN DALEY: Yes.

1 COMMISSIONER BUTLER: How do we treat that?
2 Which Home Rule has the most power?

3 COMMISSIONER SUFFREDIN: The one you are a
4 member of.

5 COMMISSIONER GAINER: I think that probably
6 will be addressed. We are doing an
7 intergovernmental agreement with the City to
8 determine how they want to handle each of these
9 things. The idea is either that or work in
10 collaboration, or it won't work at all.

11 COMMISSIONER BUTLER: We have got to find
12 out how they want to do it, as opposed to telling
13 them how we want to do it.

14 CHAIRMAN DALEY: Knowing the President, I
15 don't think they will tell her.

16 COMMISSIONER BUTLER: John, you have to
17 disqualify yourself.

18 CHAIRMAN DALEY: I think the President and
19 her team will monitor this very closely to make sure
20 the concerns are addressed.

21 COMMISSIONER BUTLER: I just see this
22 moving awful fast, from the time it was presented,
23 to where we are now because of the enormity of what
24 we are dealing with.

1 CHAIRMAN DALEY: I think when it was
2 presented there was always talk we have to expand.
3 That is why we asked other communities to join in
4 the Land Bank, and it was offered to other
5 communities.

6 COMMISSIONER BUTLER: But when the people
7 hear "Cook County Land Bank", that is what they hear
8 -- "Cook County" -- "Cook County". They don't hear
9 "Cook County and the City of Chicago Land Bank".

10 CHAIRMAN DALEY: Commissioner, the name
11 will remain the "Cook County Land Bank"?

12 COMMISSIONER GAINER: Part of the reason
13 for having it be Cook County, to be honest --
14 foreclosure hits everywhere. It is not just certain
15 communities and certainly not just the City. It is
16 regional problem and we wanted everyone to have the
17 ability to participate.

18 COMMISSIONER BUTLER: This is one
19 Commissioner who wants to rename the Chicago Botanic
20 Gardens to the Cook County Botanic Gardens.

21 CHAIRMAN DALEY: Right.

22 COMMISSIONER BUTLER: This is an area that
23 we need to look at.

24 CHAIRMAN DALEY: Right. I think the

1 concern has been heard from the Administration. I
2 am sure they have heard it. Kim is here from the
3 President's Office, and I am sure she will bring
4 that concern back.

5 COMMISSIONER BUTLER: Thank you.

6 COMMISSIONER SIMS: Can we get a corrected
7 copy? Is it five million?

8 MR. BREWER: That is the correct amount
9 that we will receive to the Cook County Land Bank
10 Authority of that \$6 million. Again, the other \$1.5
11 went to the South Suburban Land Bank.

12 COMMISSIONER SIMS: But people coming after
13 us, if they were to see this, they wouldn't know it
14 was six. Can you put that in there? That the
15 County got the \$4.5? When we are all dead and gone,
16 if somebody looks at this, they see it is six --
17 they are going to say, "This is only four."

18 CHAIRMAN DALEY: Commissioner Collins.

19 COMMISSIONER COLLINS: One of the things
20 that you go through doing the policies and
21 procedures. There are two things that I am very
22 keenly concerned about. A, you mentioned you hope
23 that this is not about single-family homes as much
24 as it is focused on large pieces of land, acres of

1 land. I am concerned about that.

2 One of the things that the Mayor of
3 Washington, DC, the way it is -- poor people living
4 in Washington, DC -- you really need a lot of money
5 to do that. They have totally wiped that city out.
6 I wouldn't like to see that happen to the City of
7 Chicago.

8 There are two things happening. A -
9 because on the west side -- you always talk about
10 the west side -- the whole community has worked very
11 hard with the banking community to ensure that the
12 Community Reinvestment Act that was passed by the
13 State, actually did help in the community. The
14 banks were partners with the community.

15 When the banks, the conglomerates came
16 in under this last thing, when Obama first came in;
17 of course, he helped to try to address the downturn
18 of the whole economy, the deals they made with the
19 banks. They came in, they bought up all of the
20 small banks. They bought up all of our small
21 community-based banks. Now they are part of US
22 Bank. They are everywhere. They own all of those
23 banks.

24 But we were able to work with them and

1 get minimum -- minimum community resources. One
2 thing they did, the local community did for housing,
3 they put loan money and donated money to them. They
4 got out of jail for minor crimes. They had no place
5 to stay. They gave them so many houses. They gave
6 them more houses, I think seventy-something, eighty.
7 They rehabbed those houses. These guys learned to
8 do it with skills themselves. They feel they are
9 the owners of these properties, and have a place to
10 stay.

11 We don't want the land bankers to
12 allow single-family homes blocked together to become
13 blighted and torn down, and then picked up by the
14 land bankers. That is one thing.

15 The other thing is: We don't want the
16 Land Bank holding property that they have received
17 through the County for delinquent taxes or for other
18 kinds of things, Sheriff's sales, just to hold it
19 without developing something. If you go down
20 Madison Street, you will see what I am talking
21 about. They just hold the land. They do absolutely
22 nothing with it.

23 We don't want you doing that for
24 individuals, nor do we want the City itself.

1 Independent banking is what I support. I am glad
2 that is happening because it used to be in the City.
3 Out in the suburban areas, they have a time period
4 by which they will show some development or
5 reasonably efforts for developing the land and doing
6 what they say they are going to do. In the City,
7 they just hold it. There was no official form of
8 land banking entity in the City of Chicago or Cook
9 County. So that is a good thing in itself. But we
10 have to be careful about them. Not allowing money,
11 and if the banks involved so that the individual
12 homeowners will be able to borrow money and keep the
13 project going.

14 Also, the opportunity for them to take
15 advantage of the Federal assistance program that now
16 reduces your loan. If your loan is more than the
17 value of your house, they will work with you and
18 allow you to keep your home rather than foreclose,
19 if you can have the income that will be able to help
20 you take a mortgage out on that house. I hope the
21 Land Bank's resources is going to be there, in
22 addition to what we have already, because it is not
23 working. Our foreclosure program, we spent the
24 money. Maybe the Land Bank can help those, too.

1 Those are the things that I would like
2 to see in your policy.

3 CHAIRMAN DALEY: Are there any questions?

4 Thank you very much.

5 Our next department is the Building
6 and Zoning Department.

7 MR. BLEUHER: Good afternoon,
8 Commissioners. Tim Bleuher, Commissioner of
9 Building and Zoning.

10 The mission of the department is to
11 promote the health, safety, and welfare of
12 unincorporated Cook County's constituents for both
13 businesses and residences. 2013 has been a
14 transitional year for the department. We are
15 striving to make improvements for our constituents.
16 Some of these highlighted endeavors are that we have
17 increased revenues from permits and inspections.

18 We now have a strategic and proactive
19 system. This has generated a twenty-five percent
20 increase in permit revenue, and a thirty-nine
21 percent increase in annual inspection revenue. This
22 number also includes the gradual elimination of the
23 partial waivers. As you recall, prior to this year
24 we were giving a one hundred percent waiver on

1 building permit fees for governmental entities and
2 not-for-profit organizations. That will be reduced
3 again in December to currently ten percent; then
4 reduced to five percent; and then, in December of
5 2015, it will be eliminated completely.

6 We are also hoping to bring before the
7 Board before the end of this calendar year the
8 adoption of the state and international building
9 code. That will put the County in more consistency
10 with our sister governments that currently utilize
11 these regulations. It also would boost economic
12 development because those investors in
13 unincorporated Cook County would have a consistent
14 set of rules and regulations to design and develop
15 from.

16 One of the biggest endeavors is the
17 department's transitioning from a paper-laden system
18 to a network-based electronic permitting system.
19 Many times a person in Hanover or Robbins would
20 rather get a violation than actually have to drive
21 down to get a building permit. Once we are
22 completed with this strategy, you will be able to
23 apply, track, and be issued online for a building
24 permit. It is also going to help in our real estate

1 department because we are not going to be holding
2 all these sets of drawings.

3 Lastly, we are continuing to negotiate
4 an intergovernmental agreement. Currently, we have
5 IGAs with the Village of Oak Lawn, Robbins, Hoffman
6 Estates, Hanover Township, and Leyden Township. We
7 just met with Worth to enforce the vacant building
8 ordinance, and also code enforcement and permitting.

9 As I said, it is a transitional year.
10 I am hoping to bring these endeavors to completion
11 in 2014. I will be happy to answer any questions
12 that the Board may have.

13 CHAIRMAN DALEY: Are there any questions?

14 Thank you very much.

15 Our next department is the Zoning
16 Board of Appeals.

17 MR. PRZYBYLO: Good afternoon. Andrew
18 Przybylo, Secretary to the Zoning Board of Appeals.
19 The mission of the Zoning Board of Appeals is to
20 promote proper development of land in conformance
21 with the Cook County zoning ordinance and the
22 Comprehensive Land Use Plan.

23 Some of our accomplishments over the
24 last fiscal year is to satisfy as many customers as

1 possible, that is to say participants in people
2 petitioning the Zoning Board, and to provide correct
3 public notices so that transparency exists, and
4 complete the hearing process on a timely basis.

5 We have, with our STAR report,
6 satisfied ninety-six percent of our customer base,
7 our attendees. We have had a high rate of correct
8 notifications. Our findings and our recommendations
9 to this Board have been submitted on the ninety-day
10 per ordinance requirement.

11 Our budget highlights going forward is
12 to increase ongoing communications to the public and
13 municipalities and interested parties about
14 permitting and the zoning process by the County's
15 website. We are acquiring appropriate technology
16 and equipment needed to ensure that the public can
17 fully hear and see the proceedings of the ZBA. That
18 is in high-profile cases where there is large
19 attendance. We are going forth with support and
20 training of our staff with the new digital system of
21 permits that is coming forth.

22 Our STAR performance, as I have
23 mentioned -- the percentage of participants in the
24 hearing process is satisfied. We are at ninety-six

1 percent. The percentage of notifications that are
2 correctly made is one hundred percent. Again, the
3 findings and recommendations on our STAR report as
4 in the ninety-day window is one hundred percent.

5 That concludes my report.

6 CHAIRMAN DALEY: Commissioner Suffredin.

7 COMMISSIONER SUFFREDIN: Thank you, Mr.
8 Chairman, and ladies and gentlemen of the Committee.

9 Mr. Przybylo, how many members do we
10 have on the ZBA?

11 MR. PRZYBYLO: Currently we have three.

12 COMMISSIONER SUFFREDIN: The three are --

13 MR. PRZYBYLO: The three are Kevin Freeman,
14 Paul Montes, and Hank Oszakiewski, who is the newest
15 Board member from Justice.

16 COMMISSIONER SUFFREDIN: On the next Board
17 meeting on Wednesday, the President is appointing
18 Paul Montes and reappointing Kevin Freeman. We are
19 getting Barrett Pedersen as a new appointee. He
20 will not be approved until we have a hearing. That
21 still leaves one vacancy?

22 MR. PRZYBYLO: That is correct, sir.

23 COMMISSIONER SUFFREDIN: Have you been able
24 to meet all of your ordinance responsibilities to

1 have hearings and quorums over the last three
2 months?

3 MR. PRZYBYLO: There was a lull in time
4 where we weren't able to, but we have caught up now
5 completely. All of those cases that were given to
6 us by Building and Zoning have been dispatched.

7 COMMISSIONER SUFFREDIN: Thank you.

8 MR. PRZYBYLO: You're welcome. Thank you.

9 CHAIRMAN DALEY: Any other questions?

10 Next is the Bureau of Economic
11 Development.

12 MR. BREWER: I will just summarize from
13 where I began.

14 We have had a robust discussion of
15 three plus hours, I think, where we have seen a
16 great detail of work underway in the Bureau of
17 Economic Development and Planning and Capital, Real
18 Estate, Building and Zoning, the Zoning Board of
19 Appeals. As you can see, we have an awful lot of
20 work underway.

21 There has been a lot of rebuilding,
22 reinvention, recalibrating of our staff efforts, of
23 our resources.

24 One of the really exciting things we

1 think we have been able to generate net new revenues
2 to the County by virtue of this work coming out of
3 each of these departments. Again, Tim Bleuher's
4 recitation in Building and Zoning is reflective of a
5 substantial change in how work is conducted there.
6 We are now driving fees through the permit work and
7 the revised ways in which the inspections are being
8 done.

9 Those areas in the County in the
10 unincorporated are areas where we have agreements
11 going, and being covered in ways that these services
12 are being provided that had not been before.

13 In our Capital Planning areas, you can
14 tell we have a very creative approach to developing
15 not only new projects, but with new ways of looking
16 at projects, recasting old projects, as well as
17 discovering new ways to generate new revenue
18 opportunities for this County.

19 Again, in summary, in the real estate
20 management we are very, very happy with the progress
21 and the outcomes of the US Equities report. It is
22 looking at seventeen-million-plus square feet of
23 County property that we have been responsible for,
24 and setting the framework for an asset management

1 plan going forward that will yield us a very
2 different set of outcomes with our real estate
3 assets.

4 We are collecting rents at a much more
5 robust pace than in the past. We have new tenants,
6 particularly in 69 West. We have the thirty-fourth
7 floor now being leased out, and other leases being
8 worked on on a daily basis. We are very proud of
9 this work. We hope to be continuing to be very
10 aggressive going forward.

11 Again, a lot of what we have discussed
12 and outlined has been the result of our both
13 internally working with you various Commissioners,
14 but also with the other departments of the County,
15 whether they be the Department of Highways, the
16 Department of Environmental Control, Finance,
17 Budget, the Comptroller, the President's Office.
18 Everyone has had a hand, a foot, a finger, an arm, a
19 leg -- anything possible to help us build and
20 develop these new lines of work.

21 The new dollars that we have secured
22 from HUD, we will continue to pursue. The new
23 philanthropic dollars we will continue to pursue.
24 We have solidified a number of new partners with us,

1 whether they be corporate leaders, whether they be
2 institutional leaders, or nonprofits; certainly with
3 a number of municipalities. I think I have met with
4 seventeen Mayors in the last forty-five days. Much
5 of the staff has done the same.

6 Again, we are very proud of this work.
7 We hope to continue going forward. I know each of
8 you will see members of my staff as well as me
9 outside of this building. We are in all of the
10 municipalities very regularly. Again, thank you for
11 your help, and we will continue to move forward and
12 be very, very aggressive, and hope for our positive
13 outcomes.

14 CHAIRMAN DALEY: Vice Chair Sims.

15 COMMISSIONER SIMS: Herman, did you get the
16 answers to the questions we asked you before the
17 break?

18 MR. BREWER: Yes. We got it all for you.
19 I will hand it to you when we adjourn.

20 COMMISSIONER SIMS: Is there a correction
21 to the budget book? Or is there a correction to the
22 budget page?

23 CHAIRMAN DALEY: It won't be corrected yet,
24 but I would assume, because I don't have it, he is

1 going to read it into the record.

2 MS. GIBSON: Is this about the CDBG?

3 COMMISSIONER SIMS: Yes. About CDBG and
4 the positions in the budget book that is grant-
5 funded, and it is seven. Herman says there were no
6 grant-funded. He needs to make a correction because
7 he stated there are no people.

8 MR. BREWER: The seven new positions being
9 advertised are not grant-funded. The eight
10 positions that had been eliminated were grant-funded
11 positions.

12 COMMISSIONER SIMS: He is saying that the
13 seven positions are not grant-funded.

14 CHAIRMAN DALEY: My understanding is they
15 are going to meet with the Budget Director between
16 now and Monday. They will get it corrected. After
17 she has been given the opportunity to review it,
18 they will be able to provide it to you on Monday.
19 She wants to verify that.

20 MS. GIBSON: That is right. I would like
21 to have an opportunity to verify that. I will tell
22 you preliminarily that we believe we will have to
23 make a correction in the year-to-date column for
24 CDBG and Home. It looks like the column captured

1 the old business unit. This is technical, and in
2 this situation where the business unit changed year
3 over year, it was picking up the old business unit.
4 It didn't fully reflect all of the expenditures.
5 But we will get you that complete answer on Monday.

6 COMMISSIONER SIMS: The concern is that we
7 should have a correction to that. If you are laying
8 people off and you are telling people that the
9 reason why we are laying you off is because the
10 funding for the grant expired. Then you turn around
11 and you hire people.

12 MS. GIBSON: I'm sorry, Commissioner. I
13 was referencing the year-to-date expenditures.

14 COMMISSIONER SIMS: That was Commissioner
15 Fritchey's question.

16 CHAIRMAN DALEY: That one, and then in
17 reference to the grants. She is going to review it
18 and get back to you on Monday.

19 COMMISSIONER SIMS: We just want to make
20 sure that it is reflected in the budget. I don't
21 want to see seven new people hired under a grant and
22 they just laid off seven people.

23 MR. BREWER: That won't be possible.

24 COMMISSIONER SIMS: Or I don't see four new

1 people coming on board and seven people were laid
2 off.

3 MS. GIBSON: The seven people that Herman
4 referenced are different positions than they are in
5 the General Fund. They are not on grants, but we
6 will provide you that.

7 COMMISSIONER SIMS: You mean the seven new?

8 MR. BREWER: The seven new positions -- for
9 example, one of them is for ADA compliance manager,
10 one is an energy manager. Two are in the economic
11 development, financial analyst positions.

12 COMMISSIONER SIMS: Didn't you have
13 somebody in that position already? You are hiring a
14 new one? Didn't you have somebody in that position
15 that was grant-funded?

16 MR. BREWER: No. I have an economic
17 development deputy who is a financial professional.

18 COMMISSIONER SIMS: So that person has two
19 titles? Or are you talking about two different
20 people?

21 MR. BREWER: No.

22 COMMISSIONER SIMS: I misunderstood what
23 you said.

24 MR. BREWER: I listed the positions that we

1 are going to be advertising.

2 COMMISSIONER SIMS: That was two different
3 positions?

4 MR. BREWER: Yes.

5 CHAIRMAN DALEY: So she will review it and
6 report back to us on Monday.

7 COMMISSIONER SIMS: Okay.

8 CHAIRMAN DALEY: Commissioner Murphy.

9 COMMISSIONER MURPHY: To follow up on that,
10 does that mean that you are going to show if there
11 is money that is expended this year maybe in
12 brackets, in the 2014 budget will show it not in
13 brackets? In other words, if \$20,000 is going out
14 and you only spend \$5000 this year, you have \$15,000
15 left.

16 CHAIRMAN DALEY: Commissioner, in all
17 likelihood there will be an amendment in the budget.
18 It will be offered by the Budget Office, and will
19 show specifically the correction in the budget.
20 That is on this one or any other one.

21 COMMISSIONER MURPHY: It is hard to know
22 what we are doing if we don't know how much money is
23 left over.

24 CHAIRMAN DALEY: She does have the

1 authority in the budget resolution to make technical
2 amendments. Not major.

3 MS. GIBSON: That's right; just
4 corrections.

5 CHAIRMAN DALEY: Commissioner Moore.

6 COMMISSIONER MOORE: I just wanted to
7 applaud the efforts of the Department for using US
8 Equities to catalog and document all of the Cook
9 County capital projects that are going on.

10 One of my concerns is -- and I will
11 address this concern -- I also asked Jim D'Amico
12 recently how they are going to catalog and document
13 facilities work.

14 Is the microphone now working? The
15 question was: We are using US Equities to document
16 and catalog all of Capital Planning's work ongoing
17 so we have a one-stop shop, if you will; is that
18 correct?

19 MR. BREWER: Commissioner, that is where we
20 are going. We have cataloged and documented all of
21 the County-owned buildings, in terms of the
22 facilities' conditions. We have sort of estimates
23 on the repair costs, timing, and things of that
24 nature. It has effectively given us the framework

1 for an asset management plan, for how we deal with
2 the properties going forward.

3 There will be other recommendations
4 forthcoming about how we make adjustments to carry
5 forward on the recommendations. But we will be
6 working on that throughout the year.

7 COMMISSIONER MOORE: I thought that the
8 purpose for the US Equities contract is so we can
9 document and catalog the work that is taking place
10 currently, the capital work?

11 MR. COOKE: John Cooke, Capital Planning
12 Director.

13 Yes, Commissioner. Part of the
14 outcome of the US Equities study is that we do now
15 have a comprehensive software program that allows us
16 to track Capital Planning projects, track real
17 estate, property data. It has an enterprise version
18 that Facilities can also link into that would allow
19 us to integrate the work orders as well as the
20 capital projects all into one.

21 We haven't taken that step yet, but it
22 does have that ability.

23 COMMISSIONER MOORE: That was one of the
24 concerns when I worked for Capital is how would we

1 document and catalog the work that is being done so
2 that we don't duplicate services; especially if
3 Facilities and Capital are not communicating on
4 every project.

5 MR. COOKE: We have taken that into
6 consideration, and it will be addressed in 2014 to
7 integrating them together.

8 COMMISSIONER MOORE: So we will be up and
9 fully running with this program in 2014?

10 MR. COOKE: We are all using the same
11 system now. They have just not been integrated to
12 the enterprise module. We are using them as
13 standalone modules. The plan is to bring them all
14 together.

15 COMMISSIONER MOORE: Will US Equities stay
16 on and maintain this program? Or will we be
17 maintaining it ourselves?

18 MR. COOKE: It will be fully maintained by
19 each individual department. Capital Planning will
20 do the project management, the software tools;
21 Facilities will do the work orders; and Real Estate
22 will do the real estate component. All transactions
23 and data will be updated. When it is updated, it is
24 interactive all together. We can see what work they

1 have done; they can see what work we have done. We
2 can see when there is changes in the tenants' side,
3 the moves in the various buildings.

4 COMMISSIONER MOORE: So it will attract new
5 offices, build-outs, all of that?

6 MR. COOKE: As long as it has been put in,
7 yes.

8 COMMISSIONER MOORE: As far as the
9 warranties?

10 MR. COOKE: We will be able to add that
11 additional data. We are getting to that point. We
12 haven't yet fully engaged that part, but it does
13 have that capacity.

14 COMMISSIONER MOORE: So is Facilities the
15 maintainer of all blueprints? Or is Cook County
16 Capital Planning the maintainer of the blueprints
17 for each facility?

18 MR. COOKE: We have electronic versions
19 that Capital Planning and Real Estate have control
20 of; but we actually have hard copies on sites, too.

21 COMMISSIONER MOORE: Thank you.

22 CHAIRMAN DALEY: Commissioner Sims, did you
23 have another one?

24 COMMISSIONER SIMS: John, what are we doing

1 with Stroger Hospital?

2 MR. COOKE: We currently have completed a
3 conceptual planning, a master plan for the campus.
4 You meant the old Cook County Hospital? We have
5 completed a conceptual plan. We are working on an
6 intergovernmental agreement now to work with the IMD
7 as they are developing their site so we can
8 collaboratively work together to make sure that we
9 are not building two parking garages or two office
10 buildings.

11 The plan is, as we work closely with
12 Doctor Raju to figure out his long-time programmatic
13 views, we hope in early 2014 to go to market for an
14 RFP for a developer to come in and to work with us,
15 to start to build out for the old County Hospital as
16 well as on the additional land that we have around
17 it.

18 COMMISSIONER SIMS: Let me ask you: Have
19 you been in that building recently?

20 MR. COOKE: A year ago.

21 COMMISSIONER SIMS: Is it deteriorating?

22 MR. COOKE: I don't have the details at
23 hand. I can assure you that we did just have a
24 façade inspection on the building, a condition

1 assessment. Yes, it is in bad shape. But we still
2 think there is potential to preserve it.

3 COMMISSIONER SIMS: To preserve the inside
4 part of it? Or just the façade?

5 MR. COOKE: The inside will be totally
6 gutted, however it gets used. But primarily the
7 façade.

8 CHAIRMAN DALEY: I would think there is
9 some artwork inside of it. At the entrance we had
10 the mural. I would hope that they would try to save
11 the mural.

12 COMMISSIONER SIMS: Is it peeling?

13 MR. COOKE: I would have to get you that.
14 I don't have that level of detail. There is no
15 power currently.

16 COMMISSIONER SIMS: What do we do about the
17 heat?

18 MR. COOKE: No heat.

19 COMMISSIONER SIMS: No heat, no power?

20 MR. COOKE: No heat, no power, no water.
21 It is totally off.

22 COMMISSIONER SIMS: How is the roof?

23 MR. COOKE: There is problems throughout
24 the building. That is why we need to really address

1 it in 2014.

2 CHAIRMAN DALEY: Commissioner Gainer.

3 COMMISSIONER GAINER: Thank you, Mr.
4 Chairman.

5 I had a question that came up
6 yesterday. Andrea and I agreed that we would ask it
7 here -- is that right, Andrea?

8 There was a question that I had asked
9 the Budget Director. There was a bucket for \$29
10 million in other revenues. One of those was around
11 rebates or things tied to contracts that were
12 generated in the Capital Planning Department.

13 The question I asked was: a better
14 understanding of how you guys were managing things
15 that you were actually able to recoup some revenues.
16 Then, to reiterate my request to Andrea, which is:
17 If there are expenses for contracts, whether it is
18 personnel or payments to a vendor that are in one
19 department, but yet the revenues are captured
20 somewhere else; it makes it really hard to track the
21 back and forth, especially since these contracts can
22 get complicated in multiyears. I would like to make
23 a personal plea that that stuff stays together;
24 otherwise I think it gets really hard. I think it

1 was Johnson Controls and some of these other
2 contracts.

3 Andrea, which contract was it that was
4 generating revenue?

5 MS. GIBSON: Actually, I think I conflated
6 two issues yesterday when we talked about this.
7 There are rebates that are in the miscellaneous
8 revenue line that are a million dollars from
9 installing some equipment. Then there is also
10 separately energy savings.

11 COMMISSIONER GAINER: Energy savings; that
12 was it.

13 MS. GIBSON: Which is the result of some of
14 this effort.

15 COMMISSIONER GAINER: The result was from a
16 contract that resided in Capital Planning?

17 MS. GIBSON: Yes.

18 COMMISSIONER GAINER: Then how come in
19 Capital Planning, if they bear the expense, they
20 don't have the revenue come forward?

21 MS. GIBSON: The utility costs are budgeted
22 outside of Capital Planning. That is where the
23 savings show themselves. For example, at the Health
24 System or at the jail, we have a pool for some of

1 the smaller facilities. That is where the savings
2 are from the work that Capital Planning is doing.
3 It is an investment on their end, but we reap the
4 benefits in the utility account.

5 COMMISSIONER GAINER: I understand that,
6 but we are able to track the amount of savings that
7 achieves on the utility bills? Because I believe
8 that is part of the contract.

9 MS. GIBSON: I will defer to John Cooke on
10 that.

11 COMMISSIONER GAINER: How does the tracking
12 work, John?

13 MR. COOKE: The tracking for the energy
14 guaranteed performance energy contract -- we are in
15 the process of hiring an energy manager. The
16 project is about fifty percent complete. We have
17 another year of construction work.

18 At that time, the energy manager, the
19 County energy manager will be responsible for making
20 sure that the kilowatts and therms -- the energy use
21 is reduced by these improvements that we have made.
22 The reduction in the consumption of energy will then
23 yield money. It reduces the baseline as a savings
24 that the County has to spend on energy. So that

1 will be done. That will be reviewed, maintained,
2 and audited by our energy manager.

3 Then on an annual basis we talk to the
4 County Auditor to take a look at it for us also.

5 COMMISSIONER GAINER: The personnel that
6 are responsible and accountable for delivering the
7 value of the energy savings work for you?

8 MR. COOKE: Yes. He or she will.

9 COMMISSIONER GAINER: But the savings, when
10 accrued, go into a general kind of bucket in the
11 corporate level?

12 MS. GIBSON: Specifically in the utility
13 account, in this case.

14 COMMISSIONER GAINER: I made my point. I
15 think when we do these contracts that have these
16 incentives built into them, some of them are better
17 structured than others. For example, the energy
18 savings one because it is a lot cleaner. But having
19 the savings and the expense in the same department,
20 I think it will make it a lot easier to track. That
21 is something I would put forward. I don't want to
22 jam you guys up. Herman, I don't know if you have
23 any thoughts on that. It is just from our
24 perspective that it is easier to capture when we are

1 looking at these contracts.

2 CHAIRMAN DALEY: If there are no other
3 questions -- thank you, Herman, very much for your
4 presentation, and your team. You are doing a great
5 job.

6 This Committee will stand in recess to
7 the hour of 9:00 a.m., October 21, when we will
8 begin with the Board of Review.

9 Commissioners, we will have the Board
10 of Review; the Recorder of Deeds; Human Resources;
11 the County Assessor; Homeland Security; the
12 Veterans; the Bureau of Technology; and the
13 Department of Human Rights.

14 Thank you, and have a good weekend.

I certify that the foregoing is a
correct transcript of the original shorthand notes
of proceedings in the above-entitled matter.

Anthony W. Lisanti
Official Court Reporter

Date